

2 Septer r 1982

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NOTE FOR:

FROM:

SUBJECT: Conversation with Donahue about Continuing Resolution

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Phase return
Add for JB

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I called Donahue to clarify a question he had asked of [] and [] regarding what language would be required for the IC Staff should a continuing resolution be necessary. Arnie explained in greater detail to me what he had meant and spoke also of the NFIP's interest with regard to a continuing resolution. At the moment, he does not require any specific language but wanted everyone here to be aware of what he knows to be under consideration and ready to act should we think there is a problem. He is most interested in having John know the details because of his understanding of the congressional budget process.

OMB has been asked to prepare for the possibility of a continuing resolution to run from 1 October to 15 February. Arnie's understanding is that the Administration would like not to have a lame duck Congress following the election. Dole is pressing for one devoted to the social security problem, but the Administration appears reluctant even to sanction that. The likelihood that there will be a session to deal with the appropriation bills not yet passed, he thinks is even more remote.

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I also raised with Arnie the problem of trying to continue existing contracts on a month-by-month basis, particularly in ICE's case. He agreed this was a problem and offered to do what he could to let certain contracts such as operational ones for ICE, be renewed on an annual basis not to exceed a monthly rate commensurate with FY 82. When I suggested this, he thought it would not fly for all types of contracts,

but I told him it was the operational ones in which we were most interested. He is at least aware of the problem; at this point I do not believe there is any further action we can take.

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Arnie could not think of any other anomalous situation within the NFIP such as the IC Staff, but suggested that we might review the rest of the program to see if any other unique conditions might be affected by a continuing resolution.

cc: A/D/OCC
A/D/OPBC
C/AS